

Decision No. _____

Decision No. 3387

ORIGINAL

BEFORE THE RAILROAD COMMISSION
OF THE STATE OF CALIFORNIA

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In the Matter of the Application of :
MURRIETA VALLEY ELEVATOR COMPANY : Application
a corporation, for an order authoriz- : No. 3700
ing said corporation to sell and issue :
shares of its capital stock. :

Serau & Thompson, for applicant.

EDGERTON, Commissioner

O P I N I O N

Applicant is a corporation organized by grain growers of Murrieta and Riverside, in Riverside County.

It is proposed to purchase land in the townsite of Murrieta and erect thereon a grain elevator of 30,000 bushels capacity; in which grain will be stored without sacking.

The shortage of sacks because of war conditions has become so serious that it is necessary to provide a means of handling grain without sacking.

Furthermore storing grain in bulk will very much reduce the cost of handling and sale.

It is estimated that storage in an elevator as compared with the use of sacks will result in a saving of \$1.25 per \$100 value.

It is proposed to issue \$21,500 par value of stock to be sold at par; grain growers to subscribe for this stock in an amount equal to 75% of what their outlay for bags or sacks would be.

Applicant desires to have alternative authority to pledge stock at par for the loan of \$8,000; the banks already having agreed to loan \$8,000 when \$10,500 is on deposit with them from the sale of stock.

Applicant proposes to build its warehouse by contract. The land upon which the elevator is to be built consists of about two acres in the town-site of Marrieta and will be obtained at a cost of \$1,020.

This application should be granted. The erection of this warehouse will enable grain growers to store and market grain at a considerably less cost than through the use of sacks which are expensive and at the present time probably unobtainable. This saving can be made even though reasonable storage rates are charged. Applicant has not yet prepared a definite schedule of rates but proposes to file these as soon as determined upon.

Herewith a form of Order:

O R D E R

Application having been made by Murrieta Valley Elevator Company for an order authorizing the issue of capital stock and a hearing having been had and it appearing to the Commission that said application should be granted under the conditions specified herein;

IT IS HEREBY ORDERED BY THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA that Murrieta Valley Elevator Company is hereby authorized to issue \$21,500 par value of its capital stock and to sell said stock so as to net applicant not less than par.

The proceeds from the sale of said stock shall be used only for the purpose of acquiring real estate and erecting a grain elevator thereon of a capacity of not less than 30,000 bushels and for incidental expenses as are set out in the application herein.

Provided that before any of the money derived from the sale of said stock shall be used, applicant shall have filed with the Commission a copy of the contract or contracts for the erection of said grain elevator and a detailed statement of any incidental expense proposed to be paid from

the proceeds of this stock issue and shall have obtained a supplemental order of the Commission approving the same.

The foregoing Opinion and Order are hereby approved and ordered filed as the Opinion and Order of the Railroad Commission of the State of California.

Dated at San Francisco, California

this 8th day of May, 1918.

Max Thelen

Edwin O. Edgerton

Frazer R. DeWitt
Commissioners.

